

**AMEND BOARD REPORT 04-1117-PR6**  
**APPROVE ENTERING INTO AGREEMENTS WITH**  
**SBC GLOBAL SERVICES, INC. ON BEHALF OF ILLINOIS BELL TELEPHONE**

**THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:**

Approve entering into a master agreements with SBC Global Services, Inc. on behalf of Illinois Bell Telephone ~~as follows~~ for the following services:

1. ~~Approve entering into an Agreement for~~ Discounted Usage Rates for Local Services – See Appendix A
2. Leased Wide Area Network Fiber Transport Services – See Appendix B. ~~Approve entering into an Agreement for Wide Area Network Transport Services—See Appendix B~~
3. ~~Approve entering into an Agreement for~~ Centrex Switching Services – See Appendix C
4. ~~Approve the~~ Purchase of Tariff-Based (Non-Centrex) Telecommunications Services – See Appendix D
5. ~~Approve entering into an Agreement for~~ Contracted Prime Interface Rate (PRI) DS1 Services – See Appendix E

This amendment is necessary to revise the scope of services related to the agreement detailed in Appendix B.

**VENDOR:** SBC Global Services, Inc. on behalf of Illinois Bell Telephone  
 225 West Randolph, Floor 23C  
 Chicago, Illinois 60606  
 Contact: Keneese McNamer  
 Telephone No.: (312) 364-2982  
 Vendor No. 13290

**USER:** Office of Technology Services  
 125 South Clark Street, 3rd Floor  
 Chicago, Illinois 60603  
 Contact: Robert Runcie, Chief Information Officer  
 Kathryn Zalewski, Telecommunications Director  
 Telephone No.: (773) 553-1300

**AUTHORIZATION:** Authorize the General Counsel to include other relevant terms and conditions in the required written agreements. Authorize the President and Secretary to execute the required written agreements. Authorize the Chief Technology Officer to execute all ancillary documents required to administer or effectuate the written agreements.

**AFFIRMATIVE ACTION:** Vendor is in full compliance with the goals required by the Revised Remedial Plan for Minority and Women Business Enterprise (M/WBE) Contract Participation for the contracts reflected in Appendix B and C. The M/WBE participation goals for the contract include: 35% total MBE, 22% total African American, 10% total Hispanic, 2% total Asian and 5% total WBE.

**LSC REVIEW:** Local School Council approval is not applicable to this report.

**GENERAL CONDITIONS:**

**Inspector General** – Each party to the agreement shall acknowledge that, in accordance with 105 ILCS 5/34-13.1, the Inspector General of the Chicago Board of Education has the authority to conduct certain investigations and that the Inspector General shall have access to all information and personnel necessary to conduct those investigations.

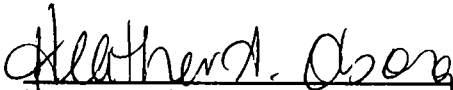
**Conflicts** – The agreement shall not be legally binding on the Board if entered into in violation of the provisions of 105 ILCS 5/34-21.3 which restricts the employment of, or the letting of contracts to, former Board members during the one-year period following expiration or other termination of their terms of office.

**Indebtedness** – The Board’s Indebtedness Policy adopted July 26, 1995 (95-0726-EX3), as amended from time to time, shall be incorporated into and made a part of the agreement.

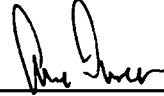
**Ethics** – The Board’s Ethics Code adopted September 27, 1995 (95-0927-RU3), as amended from time to time, shall be incorporated into and made a part of the agreement.

**Contingent Liability** – The agreement shall contain the clause that any expenditure beyond the current fiscal year is deemed a contingent liability, subject to appropriation in the subsequent fiscal year budget(s).


**Approved for Consideration:**

  
\_\_\_\_\_  
Heather A. Obora  
Chief Purchasing Officer


**Approved:**

  
\_\_\_\_\_  
Arne Duncan  
Chief Executive Officer

**Within Appropriation:**

  
\_\_\_\_\_  
John Maiorca  
Chief Financial Officer

**Approved as to Legal Form:**

  
\_\_\_\_\_  
Ruth Moscovitch  
General Counsel

**APPROVE ENTERING INTO AN AGREEMENT  
FOR DISCOUNTED USAGE RATES FOR LOCAL AND INTRALATA SERVICES**

Approve entering into an agreement with SBC Global Services, Inc ("SBC Global " or "Vendor") to provide cost discounts on local usage for Centrex and Non-Centrex Services for a three (3) year term for the Office of Technology Services ("OTS"). The discounted usage rates are based upon a minimum annual usage of \$965,300.00 of services for each year of the term. A written agreement is currently being negotiated. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of the Board Report. Information pertinent to this agreement is stated below.

**SPECIFICATION NO:** E-Rate Form 470 Posting: 785950000500456

**TERM:** The term of this agreement shall be for a period of three (3) years commencing July 1, 2005 and ending June 30, 2008. This term is necessary to coincide with, and allow for the Board's participation in Year 8, Year 9 and Year 10 of the E-Rate program

**SCOPE OF SERVICES:** SBC shall provide discounts on local usage for Centrex and Non-Centrex services. Local usage shall be billed at the following rates: Band "A" usage at 1.1 cents for all minutes; and Band "B" and "C" usage at 2.2 cents for all minutes. Additionally, IntraLATA discounts SHALL BE added to the Agreement to be billed at the following rates: IntraState IntraLATA Toll usage at 3.5 cents for all minutes and Toll-Free 800/888 usage at 3.5 cents for all minutes.

**DELIVERABLES:** The Board shall receive discounts for all local services (e.g., Centrex and Non-Centrex) as well as IntraState IntraLATA and Toll-Free 800/888 services. Following is a summary of the current rates:

**CURRENT USAGE RATES**

	<b><u>FIRST MINUTE</u></b>	<b><u>SUBSEQUENT MINUTES</u></b>
BAND A	\$0.011	\$0.011
BAND B	\$0.022	\$0.022
BAND C	\$0.022	\$0.022

**IntraLATA Toll/800 USAGE**

	<b><u>FIRST MINUTE</u></b>	<b><u>SUBSEQUENT MINUTES</u></b>
IntraLATA	\$0.035	\$0.035
Toll/800	\$0.035	\$0.035

**OUTCOME:** The Board will receive the discounted local, IntraLATA and Toll/800 usage rates.

**OPTIONS TO RENEW:** This Agreement shall have two (2) three-year options to renew. After initial Term, should any rates be lower than currently offered, CPS will have the right to renegotiate to the lower rates.

**FINANCIAL:** No charge to the Board for these services.

**APPROVE ENTERING INTO A NEW AGREEMENT FOR LEASED WIDE AREA NETWORK FIBER TRANSPORT SERVICES**

**APPROVE ENTERING INTO AN AGREEMENT FOR WIDE AREA NETWORK TRANSPORT SERVICES**

Approve entering into an agreement with SBC Global Services, Inc ("SBC Global " or "Vendor") for the provision of ~~optimized~~ Leased Wide Area Network ("WAN") Fiber transport services, including DS-1, DS-3, synchronous optical network ("SONET"), and dedicated OC-48 rings, Gigaman fiber connectivity and network reconfiguration ("ANRS") and other network services at the applicable ~~tariff discounted negotiated and tariff discounted~~ rates for a three (3) year term for the Office of Technology Services ("OTS") at a total cost not to exceed \$13,278,583.38. A written agreement is currently being negotiated. No payment shall be made to Vendor prior to the execution of the document. The authority granted herein shall automatically rescind in the event a document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this agreement is stated below.

**SPECIFICATION NO:** ~~E-Rate Form 470 Posting: 785950000500456~~ 04-250177

**TERM:** The term of this agreement shall be for a period of three (3) years commencing July 1, 2005 and ending June 30, 2008. This term is necessary to coincide with, and allow for the Board's participation in Year 8, Year 9 and Year 10 of the E-Rate program.

**SCOPE OF SERVICES:** ~~SBC Global shall provide WAN services to the Chicago Public Schools. The WAN services provide DS-1 (T1) level access and support Legacy, as well as Oracle based administrative applications, e-mail and internet access on a district wide basis. The WAN services will be provided to a minimum of 650 locations and will include a network reconfiguration service, which provides for limited growth before additional costs are incurred.~~

SBC Global shall provide leased WAN fiber transport services to the Chicago Public Schools. The WAN services provide DS-1 (T1), DS-3, synchronous optical network "SONET", OC-48, and Gigaman fiber level access and support administrative applications, e-mail and internet access on a district-wide basis. The WAN services will be provided to a minimum of 650 locations and will include a network reconfiguration service, which provides for limited growth before additional costs are incurred.

**DELIVERABLES:** SBC Global will provide WAN data services for fiscal years 2006, 2007 and 2008.

**OUTCOMES:** Vendor's services shall result in the Board having leased WAN fiber data services for fiscal years 2006, 2007 and 2008.

**OPTIONS TO RENEW:** This Agreement shall have two (2) three-year options to renew.

**COMPENSATION:** SBC Global shall be paid, during this period, as follows: upon invoicing, not to exceed the sum of \$13,278,583.38 of which \$13,278,583.38 is eligible for, but not contingent upon, E-Rate discounts. The approximate amount to be billed to the SLD is \$11,552,367.54 and the approximate total cost to the Board is not to exceed \$1,726,215.84.

**FINANCIAL:** Charge to the Office of Technology Services \$13,278,583.38

Budget Classification:	0220-552-000-1614-5430	\$4,043,479.26	FY06
	0220-552-000-1614-5430	\$4,617,552.06	FY07
	0220-552-000-1614-5430	\$4,617,552.06	FY08

**APPROVE ENTERING INTO AN AGREEMENT FOR CENTREX SWITCHING SERVICES**

Approve entering into an agreement with SBC Global Services, Inc ("SBC Global " or "Vendor") for the providing of local telecommunications services, more specifically known as Centrex Switching Services ("CSS"), for a three (3) year term for the Office of Technology Services ("OTS") at a cost not to exceed \$16,033,959.00. A written agreement is currently being negotiated. No payment shall be made to Vendor prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report. Information pertinent to this is stated below.

**SPECIFICATION NO:** E-Rate Form 470 Posting: 785950000500456

**TERM:** The term of this agreement shall be for a period of three (3) years commencing July 1, 2005 and ending June 30, 2008. This term is necessary to coincide with, and allow for the Board's participation in Year 8, Year 9 and Year 10 of the E-Rate program.

**SCOPE OF SERVICES:** SBC Global shall provide local CSS to the Central Service Center, all CPS schools and other CPS facilities. The CSS is engineered to support a capacity of approximately 18,000 lines distributed throughout a minimum of the 650-location district. The CSS will support incoming, outgoing and intercom (5-digit dialed) calls, as well as voice-messaging (on selected lines only) on a district-wide basis. The projected annual cost of the CSS system includes: monthly recurring line charges for the approximate 18,000 lines; and monthly variable charges based on usage. The variable charges include: usage charges, installation charges, local calling area long distance charges, local 800 charges, FCC charges, miscellaneous access charges, E911 charges, E-Rate surcharge and applicable federal, state and local taxes.

**DELIVERABLES:** SBC Global will provide the Board with Centrex telephone services for fiscal years 2006, 2007 and 2008.

**OUTCOMES:** The Board will have continuous Centrex telephone services for fiscal years 2006, 2007 and 2008.

**OPTIONS TO RENEW:** This Agreement shall have two (2) three-year options to renew.

**COMPENSATION:** SBC Global shall be paid during this period as follows: upon invoicing, not to exceed a total three (3) year sum of \$16,033,959.00 of which a total of \$15,853,959.00 is eligible for, but not contingent upon, E-Rate discounts, for a total cost to the Board not to exceed a total of \$2,241,014.67

<b>FINANCIAL:</b> Charge to the Office of Technology Services	\$16,033,959.00		
Budget Classification:	0220-552-000-1614-5430	\$5,344,653.00	FY06
	0220-552-000-1614-5430	\$5,344,653.00	FY07
	0220-552-000-1614-5430	\$5,344,653.00	FY08

**APPROVE THE PURCHASE OF TARIFF-BASED  
(NON-CENTREX) TELECOMMUNICATIONS SERVICES**

Approve the purchase of various tariff-based local telecommunications services from SBC Global Services, Inc ("SBC Global " or "Vendor"), including Basic Rate Interface (BRI) access, Direct Inward Dial (DID), Plain Old Telephone Service (POTS) and all other basic non-Centrex, measured business services to the Office of Technology Services ("OTS") at a cost not to exceed \$2,688,731.64 for a three (3) year period. A written document for these tariff-based services is not required. Information pertinent to this matter is stated below.

**SPECIFICATION NO:** E-Rate Form 470 Posting: 785950000500456

**TERM:** The term of this purchase is authorized for a period of three (3) years commencing July 1, 2005 and ending June 30, 2008. This term is necessary to coincide with, and allow for the Board's participation in Year 8, Year 9 and Year 10 of the E-Rate program.

**SCOPE OF SERVICES:** SBC Global shall provide various local telecommunications services to the Chicago Public Schools in support of non-Centrex requirements. The services include high school library internet access (ISDN) services at 75 school locations, headquarters and Medill locations, dial-up/POTS (plain old telephone service) which supports K-8 internet access, all security systems, elevator telephones, Kronos, video teleconferencing and Legacy T1 network services.

**DELIVERABLES:** SBC Global will provide the Board with non-Centrex tariff-based and telephone services for fiscal years 2006, 2007 and 2008.

**OUTCOMES:** The Board will have continuous Non-Centrex tariff-based telephone services for fiscal years 2006, 2007 and 2008.

**COMPENSATION:** SBC Global shall be paid, during the term as follows: upon monthly invoicing, not to exceed a three-year total of \$2,688,731.64 for Non-Centrex services of which approximately a total of \$1,591,056.00 is eligible for, but not contingent upon, E-Rate discounts, for a total cost to the Board not to exceed a total of \$1,304,512.92.

<b>FINANCIAL:</b> Charge to Office of Technology Services	\$2,688,731.64		
Budget Classification Non Centrex:	0220-552-000-1614-5430	\$896,243.88	FY06
	0220-552-000-1614-5430	\$896,243.88	FY07
	0220-552-000-1614-5430	\$896,243.88	FY08

**APPROVE ENTERING INTO AN AGREEMENT FOR DS1 PRIMARY RATE INTERFACE (PRI) SERVICES**

Approve entering into an agreement with SBC Global Services, Inc ("SBC Global " or "Vendor") for the provision of channelized DS1 Primary Rate Interface (PRI) access for a three (3) year term for the Office of Technology Services ("OTS") at a cost not to exceed \$4,303,799.64. A written agreement is currently being negotiated. No payment shall be made to Vendor prior to the execution of the written document. The authority granted herein shall automatically rescind in the event a written document is not executed within ninety (90) days of the date of this Board Report.

**SPECIFICATION NO:** E-Rate Form 470 Posting: 785950000500456

**TERM:** The term of this agreement shall be for a period of three (3) years commencing July 1, 2005 and ending June 30, 2008. This term is necessary to coincide with, and allow for the Board's participation in Year 8, Year 9 and Year 10 of the E-Rate program.

**SCOPE OF SERVICES:** SBC Global shall provide channelized DS1 Primary Rate Interface access to the Chicago Public Schools. The services include PRI services at 650 school locations, various administrative locations and Medill.

**DELIVERABLES:** SBC Global will provide the Board with PRI services for fiscal years 2006, 2007 and 2008.

**OUTCOMES:** The Board will have continuous Non-Centrex tariff-based telephone services for fiscal years 2006, 2007 and 2008.

**OPTIONS TO RENEW:** This Agreement shall have two (2) three-year options to renew.

**COMPENSATION:** SBC Global shall be paid, during the term of the Agreement, as follows: upon monthly invoicing, not to exceed a three-year total of \$4,303,799.64 for Non-Centrex services of which approximately a total of \$4,174,685.64 is eligible for, but not contingent upon, E-Rate discounts, for a total cost to the Board not to exceed a total of \$671,823.13

<b>FINANCIAL:</b> Charge to Office of Technology Services	\$4,303,799.64		
Budget Classification Non Centrex:	0220-552-000-1614-5430	\$1,434,599.88	FY06
	0220-552-000-1614-5430	\$1,434,599.88	FY07
	0220-552-000-1614-5430	\$1,434,599.88	FY08